

Message Text

UNCLASSIFIED

PAGE 01 VIENNA 08015 01 OF 03 072057Z
ACTION IO-14

INFO OCT-01 ISO-00 OES-09 SOE-02 /026 W
-----004979 072131Z /66

P 070855Z SEP 78
FM AMEMBASSY VIENNA
TO SECSTATE WASHDC PRIORITY 7851
INFO USDOEHQ WASHDC PRIORITY
USDOEHQ GERMANTOWN PRIORITY

UNCLAS SECTION 01 OF 03 VIENNA 08015
USIAEA

DEPT PASS IO/SCT
DOE PASS AMMONS, IA

E.O. 11652: N/A
TAGS: AORG, OCON, IAEA
SUBJECT: IAEA BOARD OF GOVERNORS AGENDA
ITEM 6 - EMOLUMENTS OF THE STAFF

1. SUMMARY: AGENCY HAS ISSUED DOCUMENT GOV/1917
PROPOSING INCREASES IN SALARY SCALES FOR STAFF IN
GENERAL SERVICE AND MAINTENANCE AND OPERATIVES SERVICE
CATEGORIES AND REQUESTING BOARD TO ADOPT NEW SALARY SCALES SET FORTH
IN ANNEX TO THAT DOCUMENT EFFECTIVE
OCTOBER 1, 1978. MISSION COMMENTS AND RECOMMENDED U.S.
POSITION FOR THIS BOARD ITEM AND FULL TEXT OF GOV/1917
(LESS FOOTNOTES AND NEW SALARY CHARTS) FOLLOW BELOW.
END SUMMARY.

2. MISSION BELIEVES GS NET SALARIES (WHICH, WITH THIS
PROPOSED INCREASE, WILL RANGE FROM \$9,351 AT THE GS-3
LEVEL TO \$26,853 AT THE GS-8 LEVEL AT THE CURRENT
EXCHANGE RATE OF AS 14.25 TO THE DOLLAR), WHILE STILL
BELOW GENEVA AND PARIS, ARE VERY GENEROUS ESPECIALLY
CONSIDERING THE FRINGE BENEFITS AND SOCIAL SERVICES
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 VIENNA 08015 01 OF 03 072057Z

AVAILABLE TO MANY EMPLOYEES IN THIS CATEGORY. WE BELIEVE
THE SAME IS TRUE FOR NET SALARIES IN THE M AND O CATEGORY,
WHICH WILL RANGE FROM \$7,361 TO \$18,030. MOREOVER, A
7.2 PERCENT (AVERAGE FOR GS) OR 10.3 PERCENT (AVERAGE FOR
M AND O) INCREASE EXCEEDS THE AUSTRIAN INFLATION RATE OF
ABOUT 5.3 PERCENT BY A SIGNIFICANT FACTOR.

3. AT THE SAME TIME, WE BELIEVE IT WOULD BE EXTREMELY COUNTERPRODUCTIVE TO ATTEMPT TO BLOCK THE PROPOSED INCREASE, ESPECIALLY SINCE THE SECRETARIAT HAS ALREADY TAKEN STEPS TO REDUCE ITS IMPACT BY PROPOSING AN EFFECTIVE DATE OF OCTOBER 1, 1978 INSTEAD OF MAKING IT RETROACTIVE TO JULY 1, 1978, AS HAD BEEN THE ORIGINAL INTENTION. FURTHERMORE, THE PROPOSED INCREASES ARE STRICTLY IN CONFORMANCE WITH PREVIOUS BOARD DECISIONS AND VERY SERIOUS PERSONNEL PROBLEMS COULD RESULT IF THE BOARD WERE TO CHANGE THE GROUND-RULES AFTER THE FACT.

4. ON THE OTHER HAND, WE BELIEVE THE TIME HAS COME TO ATTEMPT TO SLOW DOWN THE CONTINUED ESCALATION IN GS AND M AND O SALARY LEVELS IN IAEA, NOTWITHSTANDING THE FACT THAT THE INCREASES ARE BASED ON PRINCIPLES AND DECISIONS PREVIOUSLY APPROVED BY THE BOARD, WHICH ARE CONSISTENT WITH AND FOLLOW THE PRACTICES OF THE COMMON UN SYSTEM. FOR ONE THING, WE WOULD PREFER TO HAVE SOME OUTSIDE GROUP BE RESPONSIBLE FOR CONDUCTING THE SALARY SURVEYS AND DETERMINING WHAT FACTORS ARE CONSIDERED IN CALCULATING COMPARABILITY BETWEEN THE AGENCY AND OTHER EMPLOYERS IN VIENNA INSTEAD OF AN IN-HOUSE GROUP COMPOSED LARGELY OF INDIVIDUALS WHO HAVE VESTED INTERESTS IN THE OUTCOME OF SUCH SURVEYS. WE UNDERSTAND, FOR EXAMPLE, THAT THE INTERNATIONAL CIVIL

UNCLASSIFIED

PAGE 03 VIENNA 08015 01 OF 03 072057Z

SERVICE COMMISSION (ICSC) UNDERTOOK SIMILAR SALARY SURVEYS IN GENEVA, PARIS AND ROME, WHICH LED (OR ARE EXPECTED TO LEAD) TO REDUCTIONS IN SALARY INCREASES FOR THE GS AND M AND O STAFF IN THE UN AND ITS SPECIALIZED AGENCIES LOCATED IN THOSE CITIES. WE BELIEVE IT WOULD BE DESIRABLE FOR ICSC TO UNDERTAKE A SIMILAR SURVEY IN VIENNA FOR THE IAEA AND UNIDO (WHICH WE UNDERSTAND ACCEPTS THE RESULTS OF THE IAEA'S ESTABLISHED SALARY LEVELS IN THESE CATEGORIES), BUT WE UNDERSTAND THIS WOULD BE DIFFICULT SINCE IAEA HAS NOT YET AGREED TO ACCEPT THE ICSC STATUTE. THIS OBSTACLE, HOWEVER, COULD BE OVERCOME IF THE BOARD WERE TO URGE THE DIRECTOR GENERAL TO SERIOUSLY CONSIDER THE DESIRABILITY OF ACCEPTING THE ICSC STATUTE AND TO REPORT ON THE MATTER AT THE FEBRUARY BOARD.

5. IN VIEW OF THE FOREGOING, MISSION RECOMMENDS FOLLOWING POSITION FOR USDEL ON THIS ITEM:

(A) WE SHOULD NOT RPT NOT OPPOSE THE INCREASES REQUESTED IN GOV/1917, BUT WE SHOULD SPEAK IN GENERAL TERMS AGAINST CONTINUING ESCALATION OF SALARY COSTS

IN IAEA;

(B) WE SHOULD URGE THE DIRECTOR GENERAL TO SERIOUSLY
CONSIDER ACCEPTING THE ICSC STATUTE AND TO REPORT ON
THE MATTER AT THE FEBRUARY BOARD;

(C) WE SHOULD URGE THE DIRECTOR GENERAL TO AVAIL
HIMSELF OF THE SERVICES OF ICSC TO CONDUCT A NEW
SURVEY OF THE SALARIES OF GS AND M AND O STAFF AS
SOON AS PRACTICABLE, PROVIDED THE ICSC STATUTE IS
ACCEPTED; AND

(D) WE SHOULD ENLIST THE SUPPORT OF OTHER DELEGATIONS
TO THE FOREGOING VIEWS.
UNCLASSIFIED

UNCLASSIFIED

PAGE 04 VIENNA 08015 01 OF 03 072057Z

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 VIENNA 08015 02 OF 03 071115Z
ACTION IO-14

INFO OCT-01 ISO-00 OES-09 SOE-02 /026 W
-----130707 072132Z /66

P 070855Z SEP 78

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC PRIORITY 7852

INFO USDOEHQ WASHDC PRIORITY

USDOEHQ GERMANTOWN PRIORITY

UNCLAS SECTION 02 OF 03 VIENNA 08015

USIAEA

DEPT PASS IO/SCT

DOE PASS AMMONS, IA

6. FOLLOWING IS TEXT OF GOV/1917: QUOTE.

(1) THE AGENCY'S STAFF REGULATIONS, APPROVED BY THE
BOARD OF GOVERNORS IN 1957, PROVIDE THAT THE SALARY
SCALES FOR STAFF IN THE GENERAL SERVICE (GS) AND

MAINTENANCE AND OPERATIVES SERVICE (M AND O) CATEGORIES SHALL BE "DETERMINED ON THE BASIS OF THE BEST PREVAILING CONDITIONS OF EMPLOYMENT IN THE LOCALITY CONCERNED." IN THE UNITED NATIONS FAMILY THIS PRINCIPLE WAS FIRST ENUNCIATED IN 1949 AND HAS BEEN CONFIRMED SINCE THEN BY ALL SUBSEQUENT REVIEW BODIES; MOST RECENTLY BY THE INTERNATIONAL CIVIL SERVICE COMMISSION (ICSC) WHICH IN ITS 1977 REPORT TO THE GENERAL ASSEMBLY STATED THAT, FOR THE TIME BEING, IT "SAW NO ALTERNATIVE TO COMPARISONS WITH BEST PREVAILING CONDITIONS". THE RATIONALE OF THIS PRINCIPLE IS THAT THE ORGANIZATIONS, IN ORDER TO OBTAIN STAFF OF THE HIGHEST DEGREE OF COMPETENCE, EFFICIENCY AND INTEGRITY, SHOULD BE ABLE TO COMPETE WITH OUTSIDE EMPLOYERS FOR STAFF OF EQUIVALENT

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 VIENNA 08015 02 OF 03 071115Z

QUALIFICATIONS.

(2) TO ASCERTAIN THE BEST-PREVAILING OUTSIDE CONDITIONS AND ENSURE THAT EXISTING STAFF ARE TREATED EQUITABLY AND THAT CONDITIONS REMAIN ADEQUATE TO ATTRACT STAFF OF THE REQUIRED CALIBRE, COMPREHENSIVE SALARY SURVEYS ARE CARRIED OUT FROM TIME TO TIME. THESE SURVEYS ARE MADE IN ACCORDANCE WITH GUIDING PRINCIPLES DRAWN UP BY THE CONSULTATIVE COMMITTEE ON ADMINISTRATIVE QUESTIONS (CCAQ), AND AFTER BEING REVIEWED BY THE INTERNATIONAL CIVIL SERVICE ADVISORY BOARD (ICSAB) AND APPROVED BY THE ADMINISTRATIVE COMMITTEE ON CO-ORDINATION (ACC), THEY ARE APPLIED THROUGHOUT THE UNITED NATIONS COMMON SYSTEM. IN VIENNA COMPREHENSIVE SALARY SURVEYS WERE MADE IN 1959, 1961, 1963, 1965, 1968, 1971 AND 1973 RESPECTIVELY AND REVISED SALARY SCALES BASED ON THE FINDINGS OF THESE SURVEYS WERE APPROVED BY THE BOARD IN EACH CASE.

(3) AS COMPREHENSIVE SALARY SURVEYS ARE TIME-CONSUMING AND COSTLY AND DEPEND ON THE GOODWILL OF OUTSIDE EMPLOYERS THEY CANNOT BE MADE TOO FREQUENTLY. THE BOARD THEREFORE APPROVED IN 1967 A SYSTEM FOR THE INTERIM ADJUSTMENT OF GS AND M AND O SALARIES WITH THE OBJECT OF ENSURING THAT THESE SALARIES WOULD CONTINUE AS FAR AS POSSIBLE, TO REFLECT THE BEST PREVAILING CONDITIONS OF EMPLOYMENT DURING THE INTERVALS BETWEEN COMPREHENSIVE SURVEYS, THUS BRINGING THE AGENCY'S PRACTICE IN LINE WITH THAT FOLLOWED BY OTHER ORGANIZATIONS IN THE UNITED NATIONS FAMILY. THE LAST SUCH INTERIM ADJUSTMENTS WERE APPROVED BY THE BOARD WITH EFFECT FROM 1 JULY 1977 FOR GS STAFF AND 1 JUNE 1977 FOR M AND O STAFF.

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 VIENNA 08015 02 OF 03 071115Z

(4) FOLLOWING THE ESTABLISHED POLICY REFERRED TO IN PARAGRAPHS 1-3 ABOVE, A NEW COMPREHENSIVE SALARY SURVEY WAS CARRIED OUT, JOINTLY WITH THE UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (UNIDO), IN THE FIRST HALF OF 1978 IN ORDER TO DETERMINE WHETHER THE CURRENT SALARY SCALES WERE STILL IN LINE WITH THE BEST PREVAILING CONDITIONS OF EMPLOYMENT IN VIENNA.

THE SURVEY AND PROPOSED NEW SALARY SCALES

(5) THE DATA COLLECTED IN THE SURVEY COVERED THE SALARIES AND OTHER BENEFITS OF APPROXIMATELY 2100 EMPLOYEES IN 24 AUSTRIAN FIRMS, BOTH OFFICE STAFF AND MANUAL WORKERS, WHOSE WORK COULD BE COMPARED WITH THAT OF THE MAJORITY OF GS AND M AND O STAFF MEMBERS IN THE SECRETARIAT, AND REFLECTED THE SALARIES AND WAGES WHICH WERE BEING PAID IN JUNE 1978. MANY OF THE FIRMS SURVEYED IN THE PAST WERE INCLUDED IN THE SURVEY, AS WELL AS SOME NEW ONES. AN INDEPENDENT, OUTSIDE CONSULTANT FROM THE VIENNESE FIRM RATIO, FAMILIAR WITH THE LOCAL CONDITIONS OF EMPLOYMENT, ASSISTED IN

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 VIENNA 08015 03 OF 03 071110Z
ACTION IO-14

INFO OCT-01 ISO-00 OES-09 SOE-02 /026 W
-----130662 072130Z /66

P 070855Z SEP 78

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC PRIORITY 7853

INFO USDOEHQ WASHDC PRIORITY

USDOEHQ GERMANTOWN PRIORITY

UNCLAS SECTION 03 OF 03 VIENNA 08015

USIAEA

DEPT PASS IO/SCT
DOE PASS AMMONS, IA

PREPARING THE SURVEY.

(6) THE EMOLUMENTS RECEIVED BY DIFFERENT CATEGORIES OF OUTSIDE EMPLOYEES WERE THEN COMPARED WITH THOSE OF THE CORRESPONDING GRADES OF GS AND M AND O STAFF, THE NET SALARIES OF THE FORMER BEING DETERMINED BY DEDUCTING THE TAX PAYABLE ON GROSS EARNINGS. IN THESE COMPUTATIONS ACCOUNT HAD BEEN TAKEN OF THE TAX EXEMPTIONS AND TAX RATES APPLICABLE UNDER THE AUSTRIAN TAX LEGISLATION. FRINGE BENEFITS WHICH COULD BE EXPRESSED IN MONETARY TERMS WERE TAKEN INTO CONSIDERATION WHEREVER THEY WERE GENERALLY AVAILABLE TO EMPLOYEES OF THE FIRMS SURVEYED AND COULD UAL BENEFITS GRANTED BY THE AGENCY.

(7) THE COMPARISON SHOWS THAT DURING THE PERIOD COVERED BY THE SURVEY THE NET SALARIES OF OUTSIDE EMPLOYEES, WHEN CALCULATED IN THE MANNER DESCRIBED, WERE HIGHER THAN THOSE AT PRESENT BEING PAID BY THE AGENCY; FOR THE GS CATEGORY THE AVERAGE DIFFERENCE WAS 7.2 PERCENT
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 VIENNA 08015 03 OF 03 071110Z

AND FOR THE M AND O CATEGORY 10.3 PERCENT. IN ORDER TO BRING THE AGENCY'S SALARY SCALES BACK INTO LINE WITH THE BEST PREVAILING CONDITIONS OF LOCAL EMPLOYMENT, THE EXISTING SALARY SCALES SHOULD BE ADJUSTED AS INDICATED IN THE TABLE BELOW, AND THE PROPOSED NEW SALARY SCALES, AFTER SOME SMALL ROUNDING OFF OF FIGURES, ARE SET FORTH IN THE ANNEX.

CATEGORY	GRADE	ADJUSTMENT PERCENTAGE
-	RATES	

GS	G-3	10.1
-	G-4	6.6
-	G-5	8.4
-	G-6	6.9
-	G-7	6.5
-	G-8	4.6
M AND O	M-2	15.5
-	M-3	8.4
-	M-4	10.2
-	M-5	8.1
-	M-6	13.6
-	M-7	6.0

(8) IT WAS RECOMMENDED BY THE WORKING GROUP WHICH CARRIED OUT THE SURVEY THAT THE NEW SALARY SCALES SHOULD BE INTRODUCED WITH EFFECT FROM 1 JULY 1978. HOWEVER, IN VIEW OF THE THREE-MONTH WAITING PERIOD PROVIDED FOR IN THE INTERIM ADJUSTMENT PROCEDURE, THE VARYING PRACTICES REGARDING THE EFFECTIVE DATE FOLLOWED IN PREVIOUS SALARY SURVEYS AND THE PRESENT STRINGENT FINANCIAL SITUATION OF THE AGENCY, THE

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 VIENNA 08015 03 OF 03 071110Z

DIRECTOR GENERAL PROPOSES TO INTRODUCE THEM AS OF 1 OCTOBER 1978 ONLY.

(9) THE SECRETARIAT WILL BE REVIEWING PRIOR TO ANY FUTURE SURVEY THE ADEQUACY OF THE PRINCIPLES AND METHODOLOGY GOVERNING SURVEYS OF THIS NATURE IN COLLABORATION WITH OTHER ORGANIZATIONS AND THE COMPETENT INTER-AGENCY BODIES IN THE UNITED NATIONS FAMILY.

(10) THE DIRECTOR GENERAL WISHES TO INFORM THE BOARD THAT AS A RESULT OF ASSIGNING TO OUTSIDE CONTRACTORS CERTAIN SERVICES COMMON TO THE AGENCY AND UNIDO, THE NUMBER OF STAFF IN THE CATEGORIES COVERED BY THIS PAPER WILL BE REDUCED AT THE TIME OF THE MOVE TO THE DONAUPARK.

FINANCIAL IMPLICATIONS OF THE NEW SCALES

(11) IT IS ESTIMATED THAT THE INTRODUCTION OF THE NEW SALARY SCALES WILL ENTAIL INCREASED EXPENDITURES FOR SALARIES AND WAGES AND FOR COMMON STAFF COSTS IN 1978 AMOUNTING TO A SUM OF US \$250,000 WHICH IS PROVIDED FOR IN THE REGULAR BUDGET.

REQUESTED ACTION BY THE BOARD

(12) THE DIRECTOR GENERAL REQUESTS THE BOARD TO DECIDE THAT THE NEW SALARY SCALES FOR STAFF IN THE GS AND M AND O CATEGORIES SET OUT IN THE ANNEX HERETO SHALL BE INTRODUCED WITH EFFECT FROM 1 OCTOBER 1978. UNQUOTE.

7. PLEASE ADVISE. KIRK

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 07 sep 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978VIENNA08015
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780365-0141
Format: TEL
From: VIENNA USIAEA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780991/aaaacxlz.tel
Line Count: 379
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 7bc5de55-c288-dd11-92da-001cc4696bcc
Office: ACTION IO
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1513563
Secure: OPEN
Status: NATIVE
Subject: IAEA BOARD OF GOVERNORS AGENDA ITEM 6 - EMOLUMENTS OF THE STAFF
TAGS: AORG, OCON, IAEA
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/7bc5de55-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014